

2.1.15 Enhanced 9-1-1 ("E 9-1-1"): An emergency telephone service that includes ANI, ALI (including non-listed and non-published numbers and addresses), and (optionally) selective routing, to facilitate public safety response.

2.1.16 Geographic Area: The area such as a city, county, municipality, multiple counties, or other areas defined by a governing body or other governmental entity for the purpose of providing public agency response to 9-1-1 calls.

2.1.17 Governing Body: A board of county commissioners of a county or the city council or other governing body of a city, city and county, or town or the board of directors of a special district.

2.1.18 Master Street Address Guide ("MSAG"): The file of street names and ranges defining emergency service agencies particular to a telephone number.

2.1.19 National Emergency Number Association ("NENA"): An international not-for-profit organization whose purpose is to lead, assist, and provide for the development, availability, implementation and enhancement of a universal emergency telephone number or system common to all jurisdictions through research, planning, publications, training and education.

2.1.20 Non-listed service: Telephone numbers that are not published in the telephone directory but are available through directory assistance.

2.1.21 Non-published service: Telephone numbers that are neither published in the telephone directory nor available through directory assistance.

2.1.22 Person: Any individual, firm, partnership, copartnership, limited partnership, joint venture, association, cooperative organization, limited liability corporation, corporation (municipal or private and whether organized for profit or not), governmental agency, state, county, political subdivision, state department, commission, board, or bureau, fraternal organization, nonprofit organization, estate, trust, business or common law trust, receiver, assignee for the benefit of creditors, trustee, or trustee in bankruptcy or any other service user.

2.1.23 Public Agency: Any city, city and county, town, county, municipal corporation, public district, or public authority located in whole or in part within this state which provides or has the authority to provide fire fighting, law enforcement, ambulance, emergency medical, or other emergency services.

2.1.24 Public Safety Answering Point ("PSAP"): A facility equipped and staffed to receive 9-1-1 calls from the basic emergency service provider. PSAPs operate under the direction of the governing body and are responsible to direct the disposition of 9-1-1 calls.

2.1.25 Reseller of Basic Local Exchange Service ("Resellers"): For the purpose of this Rule, resellers of basic local exchange service are providing basic local exchange service.

2.1.26 Routing: The central office programming required to transport a 9-1-1 call to the correct 9-1-1 Tandem.

2.1.27 Selective Routing: The capability of routing a 9-1-1 call to a designated PSAP based upon the seven-digit telephone number of the subscriber dialing 9-1-1.

2.1.28 TDD/Text Phone: A telecommunications device for use by deaf persons that employs graphic communication in the transmission of coded signals through a wire or radio communication system.

2.1.29 Telecommunications Device for the Deaf (TDD)/Text Phone Emergency Access provides 9-1-1 access to individuals that use TDDs and computer modems.

2.1.30 Telecommunications Relay Services provide the ability for hearing- or speech-impaired individuals to communicate, by wire or radio, with a hearing individual in a manner that is functionally equivalent to communication by an individual without a hearing or speech impairment. This definition includes telecommunication relay services that enable two-way communications between an individual who uses a TDD or other non-voice terminal device and an individual who does not use such a device.

2.2 Service Descriptions.

2.2.1 Basic Emergency Service: The telecommunications service that aggregates and transports 9-1-1 calls to a PSAP. The aggregation of calls is the process of collecting 9-1-1 calls from one or more local exchange switches that serve a geographic area for the purpose of transporting them to the authority designated to receive such calls. This service may be provided to a governing body by connections between the PSAP and a local exchange central office switch, connections to a 9-1-1 Tandem, or other technology. In many instances an ALI database also may be interconnected with the other components of the service.

Figure 1 illustrates three basic local exchange carriers serving a geographic area and the provision of 9-1-1 service to a PSAP.

Figure 1.

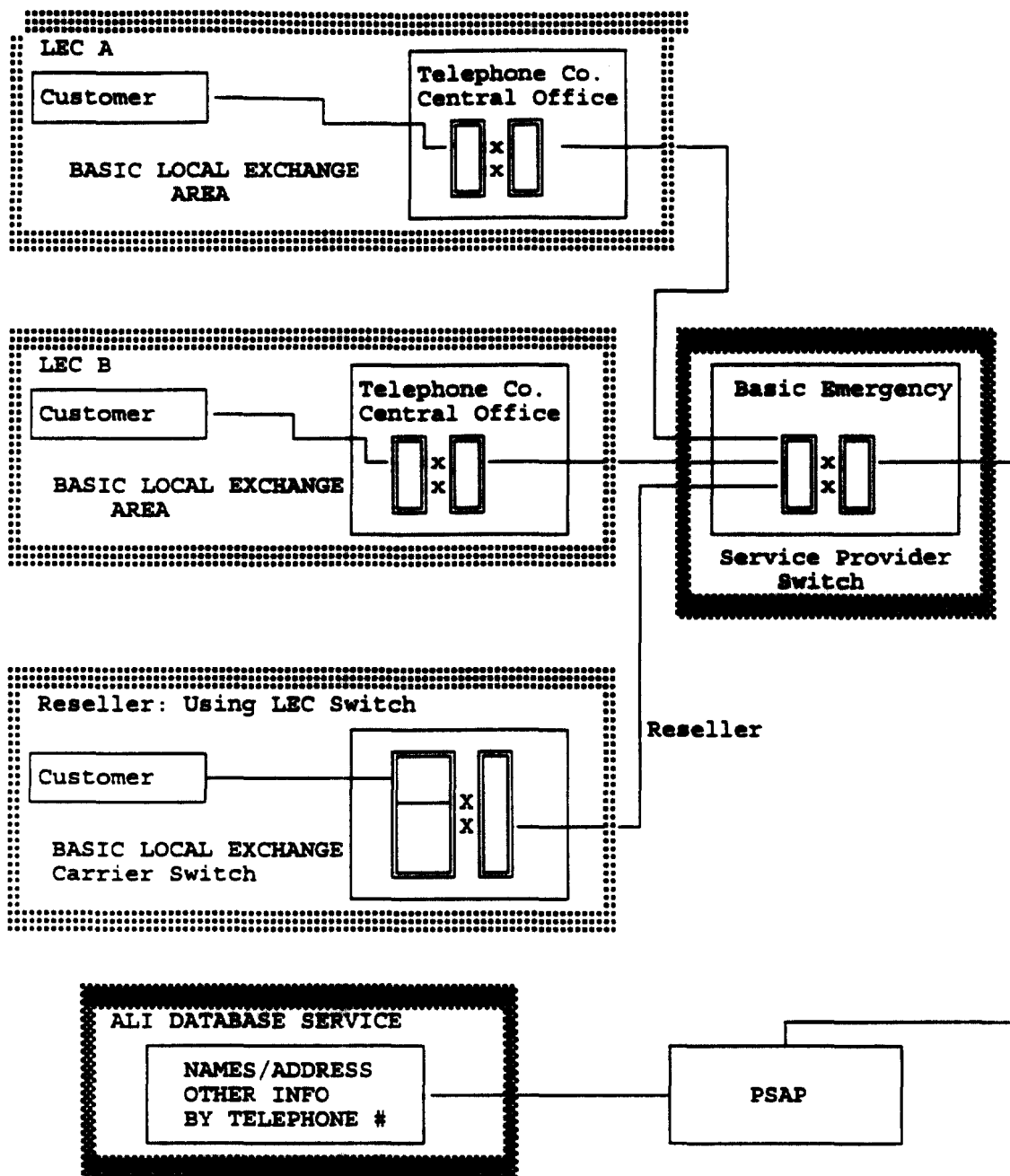
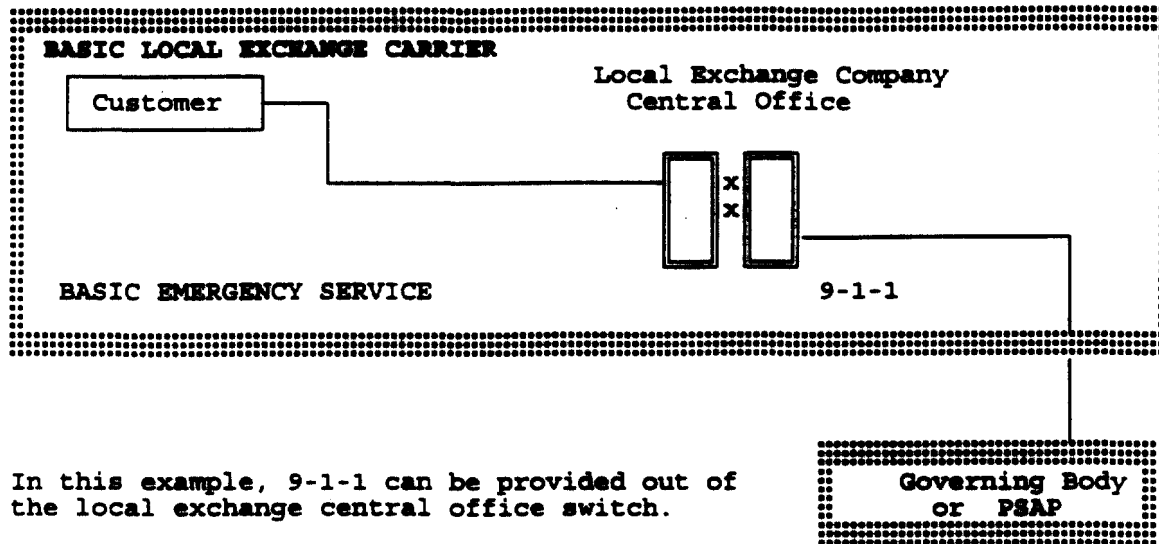


Figure 2 illustrates an alternative form of basic emergency service, where a basic local exchange carrier is also a basic emergency service provider and is providing "basic" 9-1-1 service to a governing body:

Figure 2.



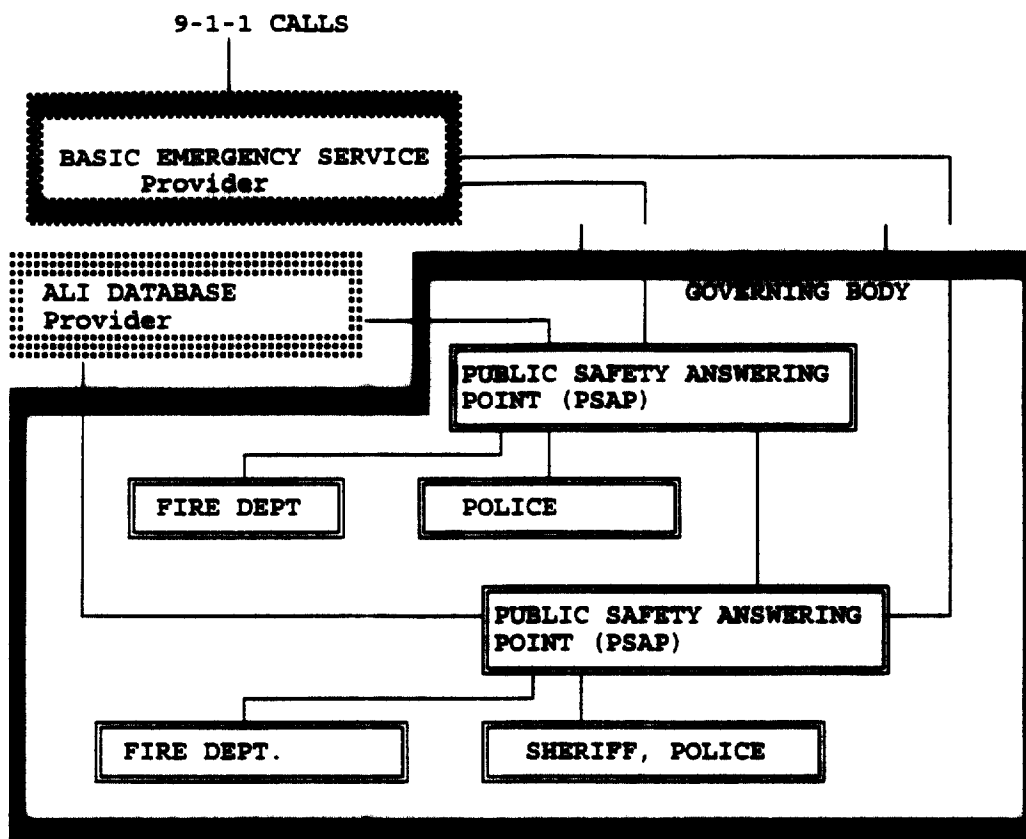
In this example, 9-1-1 can be provided out of the local exchange central office switch.

2.2.2 ALI Database Service: This service is integral to the provision of Enhanced 9-1-1 (E 9-1-1) services. The Basic Local Exchange Carrier shall provide to the ALI database Provider access on a timely basis to all telephone numbers, including non-published and non-listed numbers, that are maintained by the basic local exchange carriers or resellers. E 9-1-1 service is distinguished from 9-1-1 service in the ability of the basic emergency service provider to provide greater routing flexibility for 9-1-1 calls based on information that is placed in a computer database. The ALI database also provides the means for the PSAP to display the address as well as the telephone number for incoming 9-1-1 calls and additional customer provided information about the 9-1-1 caller's location.

Due to the requirement for the ALI database Provider to have access to all telephone numbers (including non-published and non-listed numbers) from the basic local exchange carriers, and the vested interest of this Commission in the adequacy, installation, and operation of services critical for the provision of emergency calls, non-disclosure agreements, consistent with Rule 10, shall be signed by the ALI database provider(s). If an ALI database provider does not execute a non-disclosure agreement, the LEC and BESP shall not provide the above information.

2.2.3 Governing Body: The governing body through its PSAP is responsible for receiving the 9-1-1 calls from the basic emergency service provider and, if applicable, ALI database information. The governing body, through the use of its PSAP(s), forwards the 9-1-1 call, and where applicable, the ALI database information to the proper public agency such as the fire department, sheriff, or police. Figure 3 illustrates this process:

Figure 3.



RULE 3. PROCESS FOR CERTIFICATION OF BASIC EMERGENCY SERVICE PROVIDERS.

3.1 The Commission finds and declares that the public convenience and necessity requires the availability, and when requested the provision, of basic emergency service within each local exchange area in Colorado, and further that such basic emergency service is vital to the public health and safety and shall be provided solely by properly certificated basic emergency service providers.

3.2 The Commission, upon receipt of a complaint, upon its own motion, or upon approval of an application from another provider, may certify additional or different basic emergency service providers to offer basic emergency service if such certification is in the public interest. Until such time as the Commission has acted upon the report submitted by the Task Force pursuant to Rule 13.1 of this Rule, each application for certification shall be considered on a case-by-case basis.

3.3 An application for authority to provide basic emergency service shall contain all information required pursuant to the Rules Regulating the Authority to Offer Local Exchange Telecommunications Services of the Colorado Public Utilities Commission, as well as the following information:

3.3.1 The geographic area intended to be served ;

3.3.2 The name, address, and telephone number of each the basic local exchange carrier or reseller holding a Certificate of Public Convenience and Necessity issued pursuant to the Rules Regulating the Authority to Offer Local Exchange Telecommunications Services of the Commission to serve the geographic area that is the subject of the application;

3.3.3 If the applicant has previously filed with the Commission current reports that contain the information required in this Rule 3, it may confirm formally in writing as true and accurate that such filing has been made previously and designate the date and title of such filing for the Commission's reference .

3.4 The applicant shall provide a detailed statement describing the means by which it will provide basic emergency service. This statement shall include, but not be limited to:

3.4.1 The technical specifications for the system that will be utilized to provide the basic emergency services, including information on emergency restoration of the system;

3.4.2 Any inter-company agreement used to implement and operate the service;

3.4.3 Any agreement with ALI database providers;

3.4.4 Any inter-governmental agreements regarding governing bodies or PSAPs; and,

3.4.5 Tariffs or proposed tariffs.

3.5 The applicant shall provide a current, audited financial statement showing that the applicant's assets, liabilities, and net worth are sufficient to provide basic emergency service and/or ALI database service as defined by these rules;

3.6 The applicant shall provide the name and address of the applicant's representative or agent, if any, to whom all inquiries should be made;

3.7 The applicant shall provide a statement that the applicant will provide basic emergency service in accordance with these rules, the applicable quality of service rules found at 4 CCR 723-2, and with quality of service rules and regulations as may later be adopted by the Commission.

RULE 4. UNIFORM SYSTEM OF ACCOUNTS AND COST SEGREGATION. All basic emergency service providers shall maintain their books and records and perform separation of costs as prescribed at 4 CCR 723-27, or as otherwise prescribed by the Commission.

RULE 5. BASIC EMERGENCY SERVICE PROVIDERS.

5.1 The basic emergency service provider certificated by the Commission pursuant to Rule 3 of this Rule, shall arrange to obtain facilities from all basic local exchange carriers that have customers in the area designated by the governing body for the aggregation and transmission of 9-1-1 calls or E 9-1-1 calls to the PSAP responsible for answering 9-1-1 calls in that area.

5.2 At the request of the basic local exchange carrier within the area specified by the governing body, the basic emergency service provider certificated by the Commission pursuant to Rule 3 of this Rule, shall provide and/or arrange for the necessary facilities to interconnect, switch and transport 9-1-1 calls from the basic local exchange carriers to the PSAP that is responsible for answering the 9-1-1 calls. The basic emergency service provider shall interconnect with the basic local exchange carrier in a timely manner, generally not to exceed 30 days from the time the basic emergency service provider receives a written order from the basic local exchange carrier as follows:

5.2.1 Dedicated facilities for connecting each basic local exchange telephone switch to the basic emergency service provider shall be based on the requirements established by the basic emergency service provider to serve the telephone lines within that local exchange switch; or

5.2.2 If shared or common facility groups are used to transport calls from the basic local exchange carrier to the basic emergency service provider, they shall be sized to carry the additional call volume requirements. In addition, common or shared groups shall be arranged to provide 9-1-1 calls on a priority basis where economically and technically feasible.

5.3 The basic emergency service provider shall develop and file with the Commission tariffs that establish state-wide-averaged, cost-based rates for basic emergency services provided to the geographic area it serves. The costs of providing such services shall include the costs to the basic emergency service provider of E 9-1-1 related facilities furnished to it by all basic local exchange carriers or resellers in the geographic area as well as the costs of the E 9-1-1 related facilities provided by the basic emergency service provider.

5.4 A basic emergency service provider shall render a single monthly bill to the appropriate governing body for service in the requested geographic area.

5.5 Basic emergency service providers shall ensure that telecommunication services are available, to the extent possible and in the most efficient manner, for transmitting 9-1-1 calls from hearing and speech impaired persons to the appropriate PSAP.

5.6 Any basic emergency service provider shall ensure that all E 9-1-1 facilities of the basic emergency service provider, including interconnections between it and the basic local exchange carriers are engineered, installed, maintained and monitored in order to provide a minimum of two circuits and a minimum grade of service that has one percent (P.01) or less blocking.

5.7 To expedite the restoration of service following 9-1-1 failures or outages, each basic emergency service provider shall designate a telephone number that PSAPs or LECs can use to report trouble. Such telephone number will be manned 7 days a week, 24 hours a day by personnel capable of processing the call to initiate immediate corrective action.

5.8 The basic emergency service provider shall provide basic emergency service in accordance with these rules, the applicable quality of service rules found at 4 CCR 723-2, and with quality of service rules and regulations as may later be adopted by the Commission.

RULE 6. ALI DATABASE PROVIDERS.

6.1 The ALI database provider should provide sufficient facilities to interconnect its database to the PSAPs to meet the requirements of the governing body.

6.2 If the ALI database provider is not the basic emergency service provider, it should provide to the basic emergency service provider, for the geographic area served, all information required by the basic emergency service provider to ensure that calls are routed from the end use customers to the correct PSAP.

6.3 No Basic Emergency Service Provider or Basic Local Exchange Carrier shall interconnect with an ALI database provider unless the ALI database provider provides sufficient facilities to interconnect its database to the PSAPs to meet the requirements of a governing body and complies with Rules 6.1 and 6.2 and the relevant provisions of Rule 10 of these rules.

6.4 If the ALI database provider is also a Basic Emergency Service Provider or Basic Local Exchange Carrier, the ALI database provider shall interconnect in a timely manner.

RULE 7. BASIC LOCAL EXCHANGE CARRIERS.

7.1 All basic local exchange carriers in a geographic area for which a governing body has requested the provision of 9-1-1 service shall deliver 9-1-1 calls, at an agreed point of interconnection within that geographic areas, to the certificated basic emergency service provider at tariffed rates. If the basic emergency service provider and the basic local exchange carrier or reseller agree, direct trunks, tandem switched trunks, common or joint circuits may be used to transport calls from the basic local exchange carrier or reseller to the PSAP.

7.2 All basic local exchange carriers shall furnish name, address and telephone number information, generally within 24 hours and in accordance with Rule 14 for all customers of the basic local exchange carrier, including non-published or non-listed customers, to the ALI database providers, and the basic emergency service provider for the provision of 9-1-1 services. All basic local exchange carriers shall furnish such information only after each recipient has stated formally in writing that the recipient has complied with Rule 10 of these Rules. All costs for furnishing this information and updates to this information shall be considered as part of basic local exchange service and shall be recovered through the non-recurring basic local exchange rates, unless provided for in a separate tariff.

7.3 The basic local exchange carrier shall ensure that all E 9-1-1 facilities and interconnections between it and the basic emergency service provider are engineered, installed, maintained and monitored to provide a minimum of two circuits and a grade of service that has one percent (P.01) or less blocking.

7.4 To expedite the restoration of service following 9-1-1 failures or outages, each basic local exchange carrier shall designate a telephone number that PSAPs or BESP's can use to report trouble. Such telephone number will be manned 7 days a week, 24 hours a day by personnel capable of processing the call to initiate immediate corrective action.

RULE 8. RESELLERS OF BASIC LOCAL EXCHANGE SERVICE.

8.1 If a reseller is utilizing the facilities of a certificated basic local exchange carrier, the reseller shall ensure that the underlying basic local exchange carrier has sufficient facilities to transport the 9-1-1 calls from the reseller's customers to the basic emergency service provider.

8.2 If the reseller is utilizing a switch, for example a private branch exchange switch ("PBX"), to aggregate or switch calls before the calls are terminated in the facilities of a basic local exchange carrier, holding a Certificate of Public Convenience and Necessity issued pursuant to the Rules Regulating the Authority to Offer Local Exchange Telecommunications Services of the Commission, the reseller shall ensure that its switch is capable of delivering ANI for each telephone extension connected to the switch on 9-1-1 calls to the basic emergency service provider.

RULE 9. COIN PHONE PROVIDERS. A basic local exchange carrier shall not interconnect with a coin (less) phone provider unless that provider:

9.1 Arranges telephones to place a 9-1-1 call without requiring deposit of coin or application of another charge; and

9.2 Provides the ALI database providers, the certified local exchange carrier that provided the dial tone connection, the governing body and the basic emergency service provider with the name and location information in accordance with Rule 14.

9.3 The prohibition in this Rule 9 shall not apply to coin phones provided to inmates in penal institutions where access to 9-1-1 is not required.

RULE 10. NON-DISCLOSURE OF NAME/NUMBER/ADDRESS INFORMATION.

10.1 Pursuant to the Privacy Rules found at 4 CCR 723-7, no basic local exchange carrier shall disclose personal information of any person to any basic emergency service provider, ALI database provider, governing body or PSAP unless each potential recipient of personal information has stated formally in writing to the basic local exchange carrier or reseller of basic local exchange service that it has agreed to non-disclosure of personal information consistent with this Rule 10.

10.2 ALI database information shall not be used for purposes other than for responding to requests for 9-1-1 emergency assistance. For example, the ALI database contains listed as well as non-listed and non-published telephone numbers. Use of the ALI database to obtain non-listed or non-published numbers for purposes other than responding to requests for 9-1-1 emergency assistance is prohibited. However, a query, or reverse search of the ALI database, initiated at the PSAP to electronically obtain the ALI data associated with a known telephone for purposes of handling an 9-1-1 emergency call is permitted.

10.3 If personal information is improperly disclosed by the basic emergency service provider, the person responsible for disclosing it shall pay the applicable tariffed rates of the basic local exchange carrier or reseller for changing a customer's telephone number, unless the customer declines such number change.

RULE 11. PRIORITY SERVICE RESTORATION/DIVERSE ROUTING.

11.1 Facilities for 9-1-1 Service shall be diversely routed, using different circuit routes wherever feasible. When diverse routing is requested by the governing body, the basic emergency service provider shall develop cost-based tariffed rates for diverse routing of 9-1-1 circuits. Basic local exchange carriers shall ensure that current 9-1-1 circuit routing profiles are maintained and that circuits are individually tagged where possible to prevent inadvertent disruption. Upon request by the governing body for priority service restoration, basic local exchange carriers and basic emergency service providers shall develop and implement cost-based tariffed rates for priority service restoration of 9-1-1 services.

11.2 The basic emergency service provider and the basic local exchange carrier shall work cooperatively with the PSAP to ensure an effective way of tracking the report of a 9-1-1 failure or outage, for example a trouble ticket number could be issued in order to track such a failure or outage.

11.3 The Basic Emergency Service Provider shall notify a person, agency, or responsible party designated by the governing body regarding a present or potential 9-1-1 failure or outage. The Basic Emergency Service Provider shall notify the designee of the governing body immediately of the nature, extent, and actions being taken to correct the present or potential 9-1-1 failure or outage to the extent known by the Basic Emergency Service Provider. In the event the PSAP detects a failure in the 9-1-1 system, the PSAP shall immediately notify the Basic Emergency Service Provider in that geographic area of the failure.

11.4 The basic local exchange carrier and the basic emergency service provider, with the governing body, shall develop a 9-1-1 Contingency Plan. This plan shall detail the actions to be taken in the event of a 9-1-1 failure or outage. The basic emergency service provider shall maintain a copy of each of these plans. As a courtesy, the basic emergency provider is encouraged to provide a copy of the plan to the Commission. The basic local exchange carriers and basic emergency service providers shall notify the PSAPs of any changes in the network which may require a change to the previously agreed upon 9-1-1 Contingency Plan. Nothing in this Rule shall preclude the basic emergency service provider or the basic local exchange carrier from the developing and tariffing permanent equipment or alternate route solutions to mitigate 9-1-1 failures or outages. A 9-1-1 Contingency Plan might include:

11.4.1 Arrange to temporarily re-route 9-1-1 calls to another PSAP, or

11.4.2 Arrange, with the cooperation of the basic local exchange carrier to route 9-1-1 calls to a local telephone number, or

11.4.3 Provide another mutually agreed upon temporary solution so that 9-1-1 calls can be answered until 9-1-1 Service is restored.

11.5 If a 9-1-1 failure or outage exceeds or is anticipated to exceed fifteen minutes from the time the basic emergency service provider becomes aware of the outage and after notification to the PSAP, the basic emergency service provider shall implement the contingency plan of Rule 11.4 or shall:

11.5.1 Arrange to temporarily re-route 9-1-1 calls to another PSAP; or

11.5.2 Arrange, with the cooperation of the basic local exchange carrier to route 9-1-1 calls to a local telephone number; or

11.5.3 Provide another mutually agreed upon temporary solution so that 9-1-1 calls can be answered until 9-1-1 Service is restored.

11.6 In the event the anticipated failure in the provision of 9-1-1 Service is in the facilities of the basic local exchange carrier, the basic local exchange carrier shall notify the basic emergency service provider that is responsible for delivering 9-1-1 calls to the PSAP for its customers. In the event the anticipated failure in the provision of 9-1-1 Service is in the facilities of the basic emergency service provider, it shall also be responsible to notify all basic local exchange carriers that will be affected by the failure.

11.7 The basic emergency service provider and the basic local exchange carrier shall have qualified service technicians on site, when necessary, within two hours or their best effort, after being notified by the PSAP of a failure of the 9-1-1 system.

11.8 If a 9-1-1 failure or outage exceeds fifteen minutes, the responsible Basic Emergency Service Provider or the responsible basic local exchange carrier shall verbally inform the Commission, in compliance with the policies adopted from time to time by the Commission to implement this Rule 11.8, within one hour outlining the nature and extent of the outage, and shall file a written report with the Commission within three business days of such outage that outlines the nature, extent, and corrective action taken.

RULE 12. REPORTS.

12.1 Each basic emergency service provider and basic local exchange carrier shall furnish to the Commission at such time and in such form as the Commission may require a report in which the provider or carrier shall specifically answer all questions propounded regarding the implementation, usage, availability, 9-1-1 failures or outages, cost of providing, and such other information relevant to the provision of this service. These reports shall be provided at regular intervals, to be determined by the Commission, and on a form approved by the Commission.

12.2 Periodic or special reports concerning any matter about which the Commission is concerned relative to the provision of 9-1-1 services, such as the failure or outages of 9-1-1 services, shall be furnished in a manner determined by the Commission and on a form approved by the Commission.

12.3 Each basic local exchange service carrier and basic emergency service provider shall report to the Commission its progress in the implementation of basic emergency service in each local exchange area of the State. Such report shall be filed with the Annual Report.

RULE 13. ADVISORY TASK FORCE. The Commission shall establish an Advisory Task Force. The Advisory Task Force shall include, by way of example, the following representatives: consumer groups, governing bodies, basic local exchange service providers (including independent telephone companies, resellers of basic service, competitive access providers, and wireless service providers), providers of basic emergency services, customers of basic emergency service, and ALI database providers. The purpose of the Advisory Task Force is to provide oversight of the statewide implementation of basic emergency service. The Advisory Task Force shall make future recommendations and report to the Commission regarding, among other things, development of database formatting standards and processes to facilitate the transfer of ALI data, and generally regarding the implementation of 9-1-1 services in Colorado. The Commission Staff shall be responsible for administering the Advisory Task Force and facilitating its meetings and agenda. The Advisory Task Force shall evaluate alternate technologies, service, and pricing issues related to implementing statewide 9-1-1 services in a cost effective fashion. The Commission Staff shall provide periodic reports to the Commission on the implementation of 9-1-1 services statewide. No later than January 1, 1998, the Task Force shall:

13.1 Submit a report to the Commission identifying how or whether multiple providers of basic emergency service can provide 9-1-1 service without adversely impacting the public. The task force shall consider 9-1-1 service quality and the cost of 9-1-1 service to the PSAPs, both urban and rural, and to end use customers of 9-1-1 service in developing its report and recommendations.

13.2 Investigate and report to the Commission the impact on PSAPs of wireless providers.

13.3 Investigate and report to the Commission the development of new 9-1-1 technologies.

13.4 Study and report to the Commission on the overall costing, funding and billing issues of providing 9-1-1 service, including the 9-1-1 surcharge, tariffs, and PSAP equipment costs.

13.5 Monitor and report to the Commission on the FCC Notice of Proposed Rulemaking (CC Docket No. 94-102) on compatibility of PBX equipment and wireless services with E 9-1-1 systems, or any similar FCC proceedings that may affect 9-1-1 services.

Rule 14. NENA DATA STANDARDS. The National Emergency Number Association ("NENA") standards for Recommended Formats For Data Exchange (NENA-02-001, adopted June 1993), Recommended Protocols For Data Exchange (NENA-02-003, adopted June 1993) and the NENA Recommended Standard For Street Thoroughfare Abbreviations (NENA-02-002, adopted September 1991), shall be used for the purpose of defining standard formats for ALI data exchange between basic local exchange carriers, ALI database providers, governing bodies and basic emergency service providers.

RULE 15. WAIVERS. The Commission may permit variance from these rules for good cause shown if it finds compliance to be impossible, impracticable, or unreasonable, and if such variance is not otherwise contrary to law.

RULE 16. INCORPORATION BY REFERENCE. References in these rules to the Recommended Formats for Data Exchange (NENA-02-001), to the Recommended Standard for Street Thoroughfare Abbreviations (NENA-02-002), and to Recommended Protocols for Data Exchange (NENA-02-003), are standards issued by the National Emergency Number Association and have been incorporated by reference in these rules. These standards may be found at NENA-02-001, revised as of June 1993, NENA-02-002, original as of September 1991, and NENA-02-003, original as of June 1993. References to NENA-02-001, 002, and 003 do not include later amendments to or editions of these standards. A certified copy of these standards which have been incorporated by reference are maintained at the Public Utilities Commission, 1580 Logan Street, OL-2, Denver, Colorado 80203 and are available for inspection during normal business hours. Certified copies of the incorporated standards shall be provided at cost upon request. The Director of the Public Utilities Commission, or his designee, will provide information regarding how the incorporated standards may be obtained or examined. These incorporated standards may be examined at any state publications depository library.

Florida

Mark Long
Richard Tudor

904-413-7050/fx51[longm@psc.state.fl.us]
904-413-6516/fx17[tudorr@psc.state.fl.us]

1. Certification Requirements - Alternative Local Exchange Companies (ALEC) are required to file an application and pay a \$250 application fee. As part of the application process, the company must provide documentation of financial, managerial, and technical abilities before a certificate is granted. The total process takes between 6 to 8 weeks. As of March 5, 1996, 15 ALECs have received authority to provide service. Prior to providing basic local service, a price list must be filed with the Commission. This price list includes what general service standards the company holds itself responsible (company chooses standards) and a list of prices for basic services offered. Upon providing basic local service, the ALEC must provide access to 911 services equivalent to the service currently provided by the incumbent local exchange company. These certification requirements apply to both facility based carriers and resellers. These minimal regulations should remove many regulatory barriers to entry. We are not aware of any ALEC currently providing basic service; however, it is not a requirement that the companies notify us before providing the service except the requirement of filing a price list.

2. Interconnection and Collocation - The FPSC does not have rules to govern interconnection arrangements between LECs and competitive carriers. However, our statute provides for a negotiation period of at least 60 days. If the parties are unable to negotiate then they may petition the Commission to set nondiscriminatory rates, terms and conditions; PSC has 120 days from the date of the petition.

Incumbent LECs are to provide local interconnection at tandem and end office levels. Midspan meets are also permitted provided they are economically feasible. Consistent with federal requirements, the FPSC required GTEFL, BellSouth and Sprint United/Centel to offer virtual collocation. Those tariffs are currently on file. Physical collocation is not tariffed but is allowed at the LEC's discretion.

3(a). Unbundled Access - Section 364.161, Florida Statutes, governs the unbundling of the LEC's and ALEC's network elements. Upon request, each LEC shall unbundle all of its network features, functions, and capabilities, including access to signalling databases, system and routing processes, and offer them to any other telecommunications provider requesting such features, functions or capabilities for resale to the extent technically and economically feasible. The parties shall negotiate the terms, conditions, and prices for any feasible unbundling request. If the parties cannot reach a satisfactory resolution within 60 days, either party may petition the commission to arbitrate the dispute and the commission shall make a determination within 120 days.

To date, the FPSC has determined that all requested unbundled elements should be offered. The issue of access to proprietary network elements has not be raised by any LEC or ALEC to date.

3(b). Pricing of Unbundled Access - Section 364.161, Florida Statutes, governs the pricing of unbundled elements. The parties shall negotiate the terms, conditions, and prices for any feasible unbundling request. If the parties cannot reach a satisfactory resolution within 60 days, either party may petition the commission to arbitrate the dispute and the commission shall make a determination within 120 days. The Statute states that the LEC shall not price unbundled elements below cost.

The FPSC is in the process of determining prices for unbundled elements. The FPSC has not determined the extent that the prices should include allocations of common costs. Traditionally, the FPSC has used long-run incremental cost as the price floor. The contribution levels are decided on a case-by-case basis when making pricing decisions. The FPSC has not determined whether the prices for unbundled elements can reflect discount plans or if providers of unbundled elements should be afforded some degree of pricing flexibility.

3(c). Rates, Terms, and Conditions - Same negotiation process as above. Several parties have negotiated an interconnection agreement with BellSouth (the signers consisted of cable companies and some competitive access providers - the limited- or non-facilities based parties such as MCI & AT&T, as well as other CAPs such as MFS, did not sign a stipulation). The FPSC approved the agreement. The Stipulation calls for reciprocal delivery of local traffic between the ALECs and BellSouth and mutual compensation. The parties to the agreement agreed to pay each other BellSouth's terminating switched access rates, exclusive of the Residual Interconnection Charge (RIC) and Carrier Common Line elements of the switched access rate, on a per minute of use basis for terminating local traffic on each other's network (\$0.01052 per minute of use). If it is mutually agreed that the administrative costs associated with the exchange of local traffic are greater than the net monies exchanged, the parties will exchange local traffic on an in-kind basis, foregoing compensation in the form of cash or a cash equivalent. This would be the same as the mutual traffic exchange arrangement proposed by some of the parties in this proceeding.

Under the Stipulation there is a cap on the amount that local exchange providers are required to compensate another local exchange provider. A local exchange provider is not required to compensate another local exchange provider more than one hundred five percent (105%) of the total minutes of use of the local exchange provider with the lower minutes of use in the same month.

The FPSC has established **mutual traffic exchange** as the method for interconnection between LECs and LECs. This arrangement was established through a formal hearing by the FPSC after negotiations between MFS-FL, MCImetro, and BellSouth failed. However, the FPSC's decision is still subject to reconsideration requests.

In this proceeding, the FPSC has established the following terms and conditions for interconnection:

- 1) BellSouth will tariff its interconnection rates;
- 2) BellSouth will establish meet-point billing arrangements with ALECs at mutually agreeable locations;
- 3) ALECs collocated in the same BellSouth wire center have the option to cross-connect without transiting the BellSouth switch - BellSouth should charge each ALEC one-half its special access cross-connect rate;
- 4) Carriers providing tandem switching or other intermediary functions should collect only those access charges that apply to the functions they perform. The Residual Interconnection Charge should be billed and collected by the carrier terminating the call, just as it is today among adjacent LECs;
- 5) BellSouth should compensate ALECs for the origination of 800 traffic terminated to BellSouth pursuant to the ALEC's originating switched access charges, including the data-base query. The ALEC should provide to BellSouth the appropriate records necessary for BellSouth to bill its customers. The records should be provided in a standard ASR/EMR format for a fee of \$0.015 per record. At such time as an ALEC elects to provide 800 services, the ALEC should reciprocate this arrangement.
- 6) For the 911/E911 service, the Commission required the following:

BellSouth should provide the ALECs with access to the appropriate BellSouth 911 tandems.

The ALECs should be responsible for providing the trunking, via leased or owned facilities which are capable of carrying Automatic Number Identification, to the 911 tandems.

All technical arrangements should conform with industry standards.

BellSouth should notify the ALECs 48 hours in advance of any scheduled testing or maintenance, and provide immediate notification of any unscheduled outage.

BellSouth should provide a list consisting of each municipality in Florida that subscribes to Basic 911 service, the E911 conversion date and a ten-digit directory number representing the appropriate emergency answering position for each municipality subscribing to 911 service.

Each ALEC should arrange to accept 911 calls from its customer and translate the 911 call to the appropriate 10-digit directory number and route that call to BellSouth at the appropriate tandem or end office.

When a municipality converts to E911 service, the ALEC should discontinue the Basic 911 procedures and begin the E911 procedures.

BellSouth provide the ALECs with access to the appropriate BellSouth E911 tandems, including the designated secondary tandem.

If the primary tandem trunks are not available, the ALEC should alternate route the call to the designated secondary E911 tandem. If the secondary tandem trunks are not available, the ALEC should alternate route the call to the appropriate Traffic Operator Position System (TOPS) tandem.

BellSouth will provide ALECs with mechanized access to any database used for provisioning E911 service.
- 7) The technical arrangement for operator traffic flowing between the ALEC and BellSouth is the same as that used for Inward Operator Services (busy line verification and emergency interrupt services) and Operator Transfer Service. BellSouth will tariff the rates for busy line verification and emergency interrupt services.
- 8) BellSouth will list the ALEC's customers in BellSouth's directory assistance database. To ensure compatibility with BellSouth's database, BellSouth will provide the ALECs with the appropriate database format in which to submit the necessary information. BellSouth will update its directory assistance database under the same timeframes afforded itself.
- 9) BellSouth will provide directory listings for ALEC customers in BellSouth's white page and yellow page directories at no charge. BellSouth will also distribute these directories to ALEC customers at no charge. To insure compatibility with BellSouth's database, BellSouth will provide the ALECs with the appropriate database format in which to submit the necessary information. Enhanced listings should be provided to ALEC customers at the same rates, terms and conditions offered to BellSouth customers.

10) BellSouth will offer to ALECs a choice between one of the two options. Under the first option, an ALEC may elect to have another RBOC serve as its Centralized Message Distribution System (CMDS) host. Under the second option, BellSouth can be elected by the ALEC to serve as the CMDS host. This service will be provided via contract between the two companies. BellSouth and ALECs can transmit billing information via electronic line feed or magnetic tapes.

11) ALECs and BellSouth will provide LEC-to-LEC Common Channel Signalling (CCS) to one another, where available, in conjunction with all POTS traffic, in order to enable full interoperability of CLASS/LASS features and functions. All privacy indicators should be honored, and ALECs and BellSouth should use industry standards for CCS signalling between their networks. Because CCS will be used cooperatively for the mutual handling of traffic, the ALECs and BellSouth should each be responsible for the costs associated with the installation and use of their respective CCS networks.

12) BellSouth will provide interconnection, trunking and signalling arrangements at the tandem and end office levels. BellSouth will also provide ALECs with the option of interconnecting via one-way or two-way trunks. Mid-span meets will be permitted where technically and economically feasible and should be a negotiated arrangement.

13) Carriers providing any intermediary functions on calls routed through number portability solutions will collect only those access charges that apply to the functions they perform. The Residual Interconnection Charge will be billed and collected by the carrier terminating the call.

14) Mechanized intercompany operational procedures, similar to the ones between IXCs and LECs today will be co-developed by the ALECs and LECs. Operational disputes that ALECs and LECs are unable to resolve through negotiations will be handled by filing a petition or motion with the Commission or filing a complaint directly with the Division of Communications.

In addition, ALECs and BellSouth will adhere to the following requirements:

- a. ALECs and BellSouth will provide their respective repair contact numbers to one another on a reciprocal basis;
- b. Misdirected repair calls will be referred to the proper company at no charge, and the end user should be provided the correct contact telephone number;
- c. Extraneous communications beyond the direct referral to the correct repair telephone number will be prohibited;
- d. BellSouth will provide operator reference database (ORDB) updates on a monthly basis at no charge to enable ALEC operators to respond in emergency situations; and
- e. BellSouth will work with ALECs to ensure that the appropriate ALEC data, such as calling areas, service installation, repair, and customer service, is included in the informational pages of BellSouth directory.

15) BellSouth, as the current code administrator, will provide nondiscriminatory NXX assignments to ALECs on the same basis that such assignments are made to itself and other code holders today until the issue of a neutral administrator is decided at the federal level.

Section 364.162, Florida Statutes, governs the pricing of interconnection arrangements. The Statute states that the rates for interconnection shall not be below cost. The Commission found that mutual traffic exchange does not violate this provision of the Statute. Traditionally, the FPSC has used long-run incremental cost as the price floor. The contribution levels are decided on a case-by-case basis when making pricing decisions.

4. Mutual Compensation - After negotiations failed and upon petition by MFS-FL and MCImetro the FPSC determined that, for the termination of local traffic, LECs and ALECs will compensate each other by mutual traffic exchange. Any party that believes that traffic is imbalanced to the point that the party is not receiving benefits equivalent to those it is providing through mutual traffic exchange may request the compensation mechanism be changed. Also, see answer to 3(c).

5. Resale - Section 364.161, Florida Statutes, governs the resale and unbundling of the LEC's and ALEC's network elements. The Statute prohibits the Commission from requiring the resale of currently tariffed flat-rated switched residential and business services until the local exchange company is permitted to provide interLATA services and video programming, but in no event before July 1, 1997. After negotiations failed and upon petition by MFS-FL and MCImetro the FPSC determined, subject to reconsideration, that BellSouth will offer the following unbundled elements for resale:

- 1) 2-wire and 4-wire analog voice grade loops;
- 2) 2-wire ISDN digital grade loop;
- 3) 4-wire DS-1 digital grade loop;
- 4) 2-wire and 4-wire analog line ports;
- 5) 2-wire ISDN digital line port;
- 6) 2-wire analog DID trunk port;
- 7) 4-wire DS-1 digital DID trunk port; and
- 8) 4-wire ISDN DS-1 digital trunk port.

BellSouth will resell its loop concentration capabilities, upon request and where facilities permit, and will allow ALECs to collocate loop concentration equipment. The Commission requires all parties to adhere to the industry standards for the provision and operation of each unbundled element.

The FPSC set interim rates for the 2-wire analog loop and analog port element. The 2-wire analog loop is priced at \$17 per month. The interim rate for the 2-wire analog port is \$2 per month.

Several parties have negotiated an unbundling and resale agreement with BellSouth. The FPSC approved the agreement. The Stipulation provides for a special access line to be used as an unbundled loop at BellSouth's currently tariffed rates. BellSouth's 2-wire special access local channel is priced at \$21.15.

The FPSC is in the process of determining prices for unbundled elements. The FPSC has not determined the extent that the prices should include allocations of common costs. Traditionally, the FPSC has used long-run incremental cost as the price floor. The contribution levels are decided on a case-by-case basis when making pricing decisions.

6. Number Portability - On December 28, 1995, the Commission issued Order No. PSC-95-1604-FOF-TP that established the temporary number portability solution to be used in Florida as Remote Call Forwarding (RCF) at rates of \$1.00 per line per month for one path, \$10.00 per account, and \$.50 per additional path per month. The order allowed parties to negotiate a different temporary solution such as Flex DID if the parties so desired. The FPSC has approved a negotiated settlement between BellSouth and several other parties that establishes RCF as a temporary number portability solution at a rate of \$1.25 per line per month per residential customer for one path, \$1.50 per line per month per business customer for one path, \$.50 for additional paths per month with no additional non-recurring charge if the additional path is ordered at the same time as the first path, and a non-recurring charge of no more than \$25.00 per order for multiple residential or business lines placed on the same order in a single exchange.

At this time the FPSC has not adopted a permanent number portability solution. The Number Portability Standards Group is currently investigating the impact of Local Number Routing (LRN) solution, which has been adopted by several other states as a permanent number portability solution, to determine the impact this solution will have on Florida telecommunications networks if it is required to be implemented. However, due to the restrictions of Florida Law, the FPSC is limited as to when it is able to implement a permanent number portability solution, since Section 364.16, F.S. requires the FPSC to wait until a national permanent number portability solution has been adopted.

7. Dialing Parity - The FPSC is currently investigating the dialing patterns throughout the state. The intent of this investigation is to adopt dialing solutions that will eliminate any current dialing problems and develop consistent dialing patterns that carriers may migrate to when the need arises. The FPSC in its interconnection proceeding with BellSouth required carriers to have access to numbering resources in accordance with the Central Office Assignment Guidelines. BellSouth has also entered into a negotiated stipulation that provides sufficient numbering resources so that BellSouth can tell whether a call from a BellSouth customer to an ALEC's customer is local or toll.

The FPSC has required, in its interconnection proceeding, BellSouth to provide MFS and MCIMetro a dedicated trunk group arrangement from the ALEC's end office to the BellSouth Operator Service System. the trunk group can be the same as that used for Inward Operator Services and Operator Transfer Service. The FPSC required BellSouth's tariffed rates for busy line verification and emergency interrupt services be used to fulfill the financial requirements for operator handled traffic flowing between the respective ALECs and BellSouth. BellSouth has negotiated a similar settlement with several other parties that have the same restrictions.

The FPSC has also required BellSouth to list MFS and MCIMetro's customers in its directory assistance database. BellSouth is required to update the directory assistance database under the same timeframes afforded itself. In addition, BellSouth is required to provide branding upon a firm order for the service. The FPSC required BellSouth to provide directory listings for ALEC customers in BellSouth's white page and yellow page directories at no charge. Further, BellSouth is also required to distribute these directories to ALEC customers at no charge. BellSouth is required to provide enhanced listings to ALEC customers at the same rates, terms and conditions. BellSouth has also entered into a negotiated settlement with several parties which adopt basically the same requirements as ordered by the FPSC.

8. Universal Service - Florida statutes indicate that each telecommunications company should contribute its fair share to support universal service and carrier of last resort obligations.

* The Commission found that a funded interim mechanism was not necessary at present. Instead, the Commission found that the interim mechanism should consist of two components:

(a) The incumbent LECs should continue to fund their universal service obligations the way they currently do: through markups on the various services they offer.

(b) An expedited petition process was allowed wherein, on a case-by-case basis, a LEC can petition the Commission if the LEC can establish that its ability to sustain its universal service obligations has been eroded due to competitive local exchange entry; funding from sources external to the LEC could result. This expedited petition process would operate on a 120 day schedule.

* Florida statutes also require that the Legislature will establish a permanent universal service mechanism prior to January 1, 2000, at which time the interim mechanism will terminate.

* The Commission is required to provide a recommendation to the Legislature by January 1, 1997 on the structure of a permanent universal service mechanism; Commission staff is currently conducting ongoing research and analysis in conjunction with this project.

* The substitution of explicit subsidies for implicit subsidies is one major area that will be dealt with in the forthcoming recommendation to our legislature. Presently, there are statutory obstacles that likely would prevent any wholesale rate rebalancing that might be required. For example, rates for basic local service are capped for at least three years for large Florida LECs who have elected price regulation.

* Florida statutes also require that incumbent LECs must continue to serve as carriers of last resort in their service territories until at least January 1, 2000.

10. Geographic Averaging

* Florida statutes allow price regulated LECs to deaverage rates for non-basic services; however, the statutes are silent whether this authority explicitly extends to other services (such as basic local service, or network access). Presumably, LEC deaveraging requests for services other than non-basic services would be handled by the Commission on a case-by-case basis.

* Since rates for basic local service are capped for at least three years for price regulated LECs, it is unclear to what extent they would be able to deaverage rates in a meaningful way (with the cap, they could decrease rates in highly competitive areas).

* To date, no LEC has offered geographically deaveraged rates for a non-basic service.

* Historically AT&T (but not other IXCs) was required to maintain statewide average rates; this requirement was eliminated in December 1995, thus allowing for any form of deaveraging not deemed to be unduly discriminatory.

* AT&T was allowed to offer a promotional service that afforded AT&T residential customers residing in BellSouth's service territory rates lower than their statewide average rates. One of the reasons the filing was approved was due to the fact that BellSouth's switched access charges (a major cost component for AT&T) were significantly lower than those of other LECS in Florida.

Georgia*

Bev. B. Knowles

404-656-0977/fx657-4981

* See Volume III for the Text of Orders referenced in this response.

The Georgia Public Service Commission has been very active in establishing local competition. We are sending by federal express a number of documents which should give you detailed answers to the questions as summarized below:

1. Certification requirements and removal of barriers to entry: SB-137 requires certification of all local exchange carriers by the Public Service Commission. The Commission grants competing certifications upon a showing of financial ability and technical competence. We expect a number of certificated carriers to be offering competing service shortly. We have certificated several and they are in the process of negotiating interconnection agreements, etc.

2. Interconnection and Collocation: The competitive providers and the existing LEC are to negotiate the rates, terms, conditions and points of interconnection. If they cannot reach an agreement then they are to file a complaint with the commission. We currently have two active cases on that now and a notice of proposed rulemaking.

3. Other Topics: These are topics which the PSC has under active consideration at the present time. We expect most of these issues to be resolved through the docket that the PSC recently initiated. Most of the issues are expected to be resolved through the negotiation process.

4. Mutual compensation arrangements: These are also a part of the issues the PSC is addressing in existing docket and possible future ones where negotiations between the parties fail. We expect most of the issues will be resolved as a result of the negotiation process.

5. Resale: We currently have three docket to address resale and other issues. One is a rulemaking and the other two are complaints from certificated alternative LECS. NPRM and scheduling orders are in package.

6. Number portability: We have issued an order directing the implementation of a permanent solution - See packages.

7. Dialing parity: The PSC has issued an order on dialing parity. See package.

Universal service is addressed in SB-137 as Universal Access. See copy of law in package. The PSC has also issued an NPRM and a scheduling order to implement the UAF.

10. Geographic averaging: All IXCs are required to offer state wide rates. Volum discounts, EAS, Optia EAS and other type discounts are allowed. With the exception of EAS and optional EAS plans, geographic rates are not permitted.

Idaho

Joe Cusick

208-334-0354/fx3762[benner@ermis.state.mi.us]

Question 1. No certification requirements have been established yet. Idaho currently has statutes which allow local competition in US WEST's southern Idaho area for businesses with more than five lines. AT&T has filed to provide local service. No one else has filed and no one is currently offering local service other than US WEST.

Question 2. Nothing adopted at this point.

Question 3. a,b,c Nothing adopted at this point.

Question 4. Nothing adopted at this point.

Question 5. Nothing adopted at this point.

Question 6. Nothing adopted at this point.

Question 7. Nothing adopted at this point.

Question 8. The state does, and has, maintained a state USF for high cost companies. At this point, the fund is available to incumbent, high cost LECs.

Question 10. Nothing adopted at this point.

Illinois

Charlotte TerKeurst

217-524-2160fx782-1042[cterkeur@icc084rl.state.il.us]

1. Certification Requirements and Removal of Barriers to Entry (Section 253).

Certification requirements are in Sections 13-404 and 13-405 of the Illinois Public Utilities Act. Section 13-404 provides that a reseller must show that it possesses sufficient technical, financial and managerial resources and abilities to provide the resale of telecommunications service. Section 13-405 provides that a facilities-based exchange service provider must show that it possesses sufficient technical, financial and managerial resources and abilities to provide local exchange service, and that the exercise of service authority would not adversely affect prices, network design, or the financial viability of the principal provider of local exchange service.

Section 13-405 certificates for facilities-based exchange service providers have been granted wherever requested. However, no company has requested authorization to operate in the territories of the small independent companies. Thus, the issue of whether facilities-based local competition would adversely affect prices, network design, or the financial viability of those companies has not been litigated.

Section 13-505.3 provides that all noncompetitive services must be offered subject to resale, but allows the ICC to determine that certain noncompetitive services that are offered to residence customers under different rates, charges, terms, or conditions should not be subject to resale under the rates, charges, terms, or conditions available only to residence customers. Thus, business services have been offered subject to resale for some time. A number of shared tenant service providers operate with Section 13-404 certificates reselling business services.

On April 7, 1995, the ICC ordered Ameritech Illinois to offer its residential services subject to resale, allowing restrictions that they be resold only to residential customers. It also provided that, in the short term, resellers wanting to resell residential services must obtain a Section 13-405 certificate. As a result, several of the Section 13-405 applications have been by carriers that appear to contemplate only resale, rather than facilities-based local competition, at least in the near-term. They have all been granted.

Section 13-404 certificates may allow both local and interexchange resale, and there are hundreds of carriers certificated. Without extensive checking, it is not possible to say with certainty how many are reselling local services.

The following carriers have obtained Section 13-405 certificates:

MFS Intelenet, MCI, TC Systems, Ameritech Advanced Data Services, MCI Metro, AT&T Midwest Fibernet, LCI, USN Communications, SBMS

Section 13-405 applications by U.S. Online d/b/a Communications Access L.L.C., Winstar Wireless, and Digital Network Services are pending.

The ICC does not always know when carriers begin operations. Of the Section 13-405 certificated carriers, we are only aware that MFS Intelenet has begun offering facilities-based business services in downtown Chicago. It is clear that the total level of local competition is quite small.

2. Interconnection and Collocation (Sections 251(a)(1), (c)(2) and (c)(6)).

On April 7, 1995 in the "Customers First" proceeding, the ICC ordered Ameritech Illinois to provide line-side unbundling and interconnection. Ameritech Illinois was required to file tariffs offering loops and ports within 45 days. The Customers First Order also required Ameritech Illinois to file tariffs within 45 days to offer end office and tandem interconnections between Ameritech Illinois and new entrant networks, for the purposes of completing local calls. The tariffs for loops, ports, and interconnection are in effect, although an investigation continues regarding their reasonableness. Ameritech Illinois' interconnection tariff for local traffic exchange provides virtual collocation at its offices, or Ameritech Illinois-provided transport to the new entrant's switch. Ameritech Illinois has stated it will provide meet-point interconnection on a negotiated basis. One of the reasonableness issues being litigated is whether meet-point interconnection should be tariffed. For more details, see the response to question 3(c) below.

Also on April 7, 1995, the ICC proposed a statewide line-side interconnection rule, which became effective November 1, 1995. It is part of a pre-existing, broader interconnection rule, 83 Il. Adm. Code Part 790. The line-side portion of Part 790 applies to Tier 1 incumbent LECs and new entrants now, and will apply to incumbent LECs that are not Tier 1 LECs beginning January 1, 1998. The rule requires that a carrier file intrastate tariffs offering loops, loop sub-elements, and/or ports within 180 days of receiving a bona fide request.

The ICC has attempted to mirror FCC requirements regarding physical vs. virtual collocation. 83 Il. Adm. Code Part 790 originally required physical collocation for special access, private line, and switched transport interconnection. The physical collocation requirement was suspended after the FCC's physical collocation rule was overturned. A modification to provide virtual collocation has been developed, with a Hearing Examiner's Proposed Order issued shortly before the federal Telecommunications Act of 1996 was enacted. ICC Staff has recommended that the record in that case be reopened to consider physical collocation and interconnection between adjacent incumbent LECs, consistent with the new federal law.

3(a). Unbundled Access (Sections 251(c)(3) and 252(d)(1)).

As discussed in response to question 2, Ameritech Illinois has tariffed loop and port offerings, and 83 Il. Adm. Code Part 790 requires LECs to provide loop, loop subelement, and port unbundling upon a bona fide request.

In the Customers First Order, the ICC noted that Ameritech Illinois had agreed to offer new entrants interconnection to its 911 networks, access to the Line Information, 800, and Directory Assistance databases. Purchasers of unbundled port services would have access to operator services. Ameritech Illinois stated that it would establish procedures by which new entrants would be permitted to access operational support systems. The ICC directed Ameritech Illinois to make these services available, at reasonable rates, to all properly certificated local exchange carriers, including its competitors.

Section 7-102(a) of the Public Utilities Act requires ICC approval for contracts between public utilities that enable them to operate their lines or plants in connection with each other. Sections 13-101 and 13-601 exempt telecommunications carriers that provide only competitive services from this requirement. Thus, interconnection arrangements with carriers that provide noncompetitive telecommunications services must be submitted for approval. Ameritech Illinois filed its interconnection arrangements with MFS Intelenet for ICC approval under Section 7-102(a).

3(b). Pricing of Unbundled Access (Sections 251(c)(3) and 252(d)(1)).

The Customers First Order required that the sum of Ameritech Illinois' prices of loops, ports, and monthly connection charges should be no more than the total price of the bundled line providing the same services and functionalities. Where monthly connection charges apply to purchases of multiple loops and ports, Ameritech Illinois is permitted to spread that rate element over a reasonable number of loops and ports in meeting this requirement. Like bundled network access lines, Ameritech Illinois' loop and port prices are deaveraged into three geographic "access areas" (Chicago, suburbs, "down-state").

The ICC also required that prices of Ameritech Illinois' bulk Local Transport Facilities offering, which provides volume and term discounts for unbundled loops and is deaveraged into the three geographic access areas, be set such that the contribution levels (the price in excess of long run service incremental cost (LRSIC)) do not exceed 200% of the LRSIC, and such that differences in contribution across access areas are minimized. Ameritech's loop, port, and Local Transport Facilities tariffs are in effect, but are under investigation.

The issue of whether Ameritech Illinois and Centel should be required to provide unbundled local switch platforms is being addressed as the result of a request filed by LDDS. ICC Staff has recommended that Ameritech Illinois and Centel be required to file cost studies and draft tariffs for such a service for further examination. Staff recommends that the local switch platform be priced to recover LRSIC plus a pro rata share of contribution, and be subject to an imputation constraint. The issue of whether the price should be flat rate or usage-sensitive would need to be decided based on cost studies.

3(c). Rates, Terms, and Conditions (Sections 251(c)(2)(d)??? and 252(d)(1))

In the Customers First Order, the ICC established the policy that, ultimately, all carriers interconnecting with Ameritech Illinois (including new entrants, contiguous LECs, and interexchange carriers) should be offered service from the same tariff and under the same physical conditions. The ICC stated that current contractual arrangements are more appropriately converted to tariffed arrangements. The ICC mandated that the interconnection tariffs for local traffic exchange not require virtual or physical collocation arrangements or charges for interconnection, until Ameritech Illinois demonstrates in a future proceeding that these are necessary and appropriate for interconnection with new LECs and/or independent telephone companies and are not being imposed in an unreasonably discriminatory manner. The ICC required that Ameritech Illinois offer tandem subtending interconnection arrangements to new LECs in the same manner in which it offers those arrangements to existing independent telephone companies. The ICC required that workshops be held on meet point interconnection, and that Ameritech Illinois begin integrating existing interconnection arrangements into a uniform tariff. The ICC concluded that the interconnection arrangements should not apply to incumbent independent telephone companies except on a voluntary basis, initially. Ameritech Illinois filed interconnection tariffs for local traffic in response to the Customers First Order, as described in response to question 2 above, which are in effect and under investigation.

4. Mutual Compensation (Reciprocal Compensation) (Sections 251(b)(5) and 252(d)(2)).

In the Customers First Order, the ICC established reciprocal compensation rates of \$0.005 per minute for traffic connected at an Ameritech Illinois end office and \$0.0075 per minute for traffic connected at an Ameritech Illinois tandem. These rates were chosen because they are above LRSIC costs, provide a reasonable level of contribution, and pass an imputation test for local traffic. These rates are available to new entrants that charge Ameritech Illinois no more than these rates.

5. Resale (Sections 251(b)(1), 251(c)(4), and 252(d)(3))

As discussed in response to question 1, Section 13-505.3 requires that resale be allowed for all noncompetitive services, except residential services priced separately for residential customers. In addition, the ICC has required that Ameritech Illinois make its residential services available for resale, with restrictions that they can be resold only to residential end users.

The issue of wholesale pricing by Ameritech Illinois and Central Telephone Company (Centel) is currently being litigated as the result of a petition by AT&T, with a decision expected in June 1996.

After the wholesale proceeding was initiated, Ameritech Illinois filed wholesale tariffs, which provide monthly rates and also volume and term discounts. The volume and term discounts are the result of contracts with USN Communications and MFS Intelenet, but are also generally available. The monthly wholesale rates average approximately 6% (residential) and 10% (business) below undiscounted retail rates, but are above some retail volume-discounted rates. The wholesale volume and term discounts average 15% for a 5-year contract and 20% for a 10-year contract, compared to undiscounted retail rates, but the rates are above some retail volume-discounted rates. The wholesale tariffs became effective February 1, 1996, subject to revision as a result of the wholesale proceeding.

In the wholesale proceeding, ICC staff is recommending that wholesale prices be set on the basis of retail rates less a measure of net avoided costs. The measure of avoided costs would include the net total assigned costs (LRSICs plus an allocation of joint costs) of the avoided functions and a pro rata share of the contribution in existing retail rates.

The pro rata share of contribution would be attributed based on the total assigned costs of wholesale services compared to the total assigned costs of the retail services. The formula is as follows:

$$P(w) = P(r) - [TAC(r) - TAC(w)] - \{[P(r) - TAC(r)] * [1 - (TAC(w)/TAC(r))]\}$$

6. Number Portability (Section 251(b)(2) and 251(e)).

The parties in the industry task force created by the Customers First Order chose the Location Routing Number (LRN) method for long-term number portability in the Chicago area, and submitted a stipulation to the ICC asking for approval. Hearings have been held, with no opposition, and an ICC Order may be issued March 13, 1996. The goal is to begin testing in second quarter of 1997, with availability to customers beginning in third quarter of 1997. ICC Staff filed a request for initiation of a rulemaking to address statewide implementation and cost recovery issues, which the ICC may also address on March 13, 1996.

In the Customers First Order, the ICC required that Ameritech Illinois file tariffs for interim number portability at cost-based rates with only a reasonable level of contribution. The resulting tariffs for remote call forwarding and DID trunks are in effect, with the pricing being investigated. ICC Staff has recommended that the "reasonable level of contribution" should be zero, so that the prices should be at LRSIC.

7. Dialing Parity (Section 251(b)(3))

In the Customers First Order, the ICC required that Ameritech Illinois provide intraLATA presubscription within one year (by April 7, 1996). Also on April 7, 1995, the ICC proposed statewide intraLATA presubscription rules, which became effective on November 1, 1995. The rule, which is 83 Il. Adm. Code Part 773, applies to all local exchange carriers, including new entrants. LECs (except for Ameritech Illinois) must provide intraLATA presubscription by November 1, 1996. The 2-PIC method is required.

In the Customers First Order, the ICC stated that NXX code and other number administration should be fair and nondiscriminatory. ICC Staff has been working informally with Ameritech Illinois to ensure this. The ICC also directed Ameritech Illinois to make operator services, directory assistance, and directory listings available at reasonable rates to all properly certificated local exchange carriers.

8. Universal Service (Section 254)

Workshops are underway looking at universal service issues, with a Staff report due to the ICC by April 7, 1996. It may be difficult to reform state universal service policies until the federal-state Joint Board work is completed and the FCC has considered the resulting recommendations.

9./10. Geographic Averaging (Section 254(g))

Geographic deaveraging is allowed but not required. Ameritech Illinois has priced its network access lines based on three access areas: Chicago, suburban, and down-state. The price differences are cost-based. Ameritech Illinois also has bifurcated long distance usage rates, depending on whether the call originates and terminates within Ameritech Illinois exchanges, or whether the origination and/or termination is within another carrier's exchange. The price differences are cost-based, to reflect access charges. GTE has bifurcated its long distance tariff similarly, but based on whether the call terminates to a company's exchange with access charges higher than GTE's access charges. The price differences are cost-based. The term "cost-based" does not mean that the rates differ only by cost differences. There may be some other differences as well.

Iowa

Allan Kniep

515-281-4769/fx281-5329[makeeff@ermis.state.mi.us]

1. Certification Requirements and Removal of Barriers to Entry (Section 253). Please describe your certification requirements for newly entering providers of facilities-based and resale local exchange service. What actions have been taken to remove barriers to entry? What, if any, barriers remain?

Under Iowa Code (IC) § 476.29, a utility must have a certificate to furnish land-line local telephone service. Certificates are nonexclusive. An applicant shall not be denied a certificate if the Utilities Board (Board) finds it has the technical, financial, and managerial ability to provide service and the service is in the public interest. Other steps required for a new entrant to provide local exchange service are to have Board-approved service tariffs (new entrants are not rate-regulated) and Board-approved service territory maps. Staff is looking at the issue of simplifying the map requirement. None of these requirements is a barrier to entry.

Have any facilities based or resale providers begun to offer competitive local service? If so, which carriers are providing what types of services? What is the level of competition?

The Board has issued certificates to four utilities to resell U S West's Centrex Plus service. In addition, one of the utilities, McLeod TeleManagement, Inc. (McLeod) has been granted authority to provide facilities-based service in Cedar Rapids and Marion, Iowa, as a pilot test. It has not yet begun to provide the service. Since the passage of the Telecommunications Act of 1996, McLeod also filed an application (TF-96-75) to expand the authority in its certificate to resell all U S West services anywhere within U S West's service territory. AT&T has applied for a certificate to provide resale and facilities-based service throughout the state. Docket No. TCU-96-1. At the present time it appears that the only competitive activity for local service is the resale of Centrex Plus. A very rough estimate is that the four resellers with certificates are serving approximately 20,000 access lines, which is in the vicinity of 1.5 percent of the access lines in the state.

2. Interconnection and Collocation (Sections 251(a)(1), (c)(2), and (c)(6)). What rules govern the rates, terms, conditions, and points of interconnection between incumbent local exchange carriers and competitive providers? At what "technically feasible" points are incumbent local exchange carriers required to provide interconnection? What are your policies on physical or virtual collocation for intrastate services?

Interconnection and collocation were not issues in the McLeod facilities-based certification case, because McLeod and U S West agreed how and where to interconnect. Docket No. TCU-94-4. The Board has no rules on the point of interconnection, but IC § 476.100(5) prohibits rate-regulated incumbents from unreasonably refusing or delaying interconnections or providing inferior interconnection to another provider. IC § 476.101(2) places a duty on a rate-regulated incumbent to provide interconnection with its facilities so that its network is fully interoperable with the services of other providers. In its current interconnection rule making (Docket No. RMU-95-5), the Board is considering picking up the language in section 251(c)(2) concerning interconnection at any technically feasible point within the carrier's network. The Board showed some willingness to accept virtual collocation prior to the passage of the Act, but the formulation of section 251(c)(6) appears to be workable.

3(a). Unbundled Access (Sections 251(c)(3), 252(d)(1). What rules (or standards for approving privately negotiated contracts) govern the unbundling of incumbent local exchange carriers' network elements, such as local loops, switching, transport, operator services such as 411 and 911, and databases and signaling? What related rules facilitate competitive use of such unbundled elements? Has the Commission determined that any network elements are not required to be offered on an unbundled basis? If so, which elements? Do you require access to any network elements that are proprietary? How would having access to such proprietary elements harm the incumbent? How would not having such elements harm the new entrant.

IC § 476.101(4) required the Board to initiate a rule making to unbundle essential facilities of the incumbents' networks. That rule making is completed except for drafting the final notice and rules within the next two weeks. Docket No. RMU-95-5. It would not be appropriate in this memo prior to the issuance of the rule making order to list the services that will be required to be unbundled, but generally the items listed in your question will be required to be unbundled and made available at cost-based rates to competitors. Within 90 days after the promulgation of the Board rules, the incumbents will be required to file tariffs or price lists for the unbundled essential facilities. IC § 476.101(4)(a)(1). In addition, the Board earlier ordered U S West, among other interconnection issues, to file an unbundled rate for its local loops in the McLeod facilities-based certification proceeding. Docket No. TCU-94-4. The resulting U S West interconnection tariff filing is now pending before the Board in a contested case. Docket No. RPU-95-10. The proprietary elements issue raised in your question has not been addressed in any of the formal or informal proceedings before the Board.

3(b). Pricing of Unbundled Access (Sections 251(c)(3) and 252(d)(1). What rules or standards govern the pricing of unbundled network elements (loops, switching, transport, signalling, etc.)? In particular, please describe (1) whether prices are required to reflect forward-looking costs (cost of the element if purchased in the marketplace today) or historical (booked) costs; (2) whether and to what degree prices reflect allocations of common costs, and how such costs are identified; (3) whether prices must reflect costs associated with public policy programs, such as universal service or geographic rate averaging; (4) what degree of pricing flexibility, if any, is extended to providers of unbundled network elements; and (5) whether prices can reflect discount plans such as volume and term plans.

All of the issues in 3(b) are either pending before the Board in Docket Nos. RMU-95-5 or RPU-95-10, or will be addressed in the tariff filings mandated by statute to follow the completion of the unbundling rule making. The status of item (1) is that the Board's proposed rule on cost methodology contains a definition of total service long-run incremental cost that is silent on the issue of forward-looking versus historical costs. The reason is that context will dictate the appropriate methodology. In fact, the Board's approach to all five of these items has been to deal with them in contested cases where a specific record can be made and interested parties can make full arguments based on the situation, rather than trying to anticipate all the variations in rules. The cases are not concluded, so the Board's policy direction is not yet clear, beyond its statutory duty to follow a pro-competitive line. IC § 476.95(2).

3(c). Rates, Terms, and Conditions (Sections 251(c)(2)(D) and 252(d)(1). Please describe any interconnection rates or tariffs you have established. Also, please describe how these rates or tariffs were established and the ratemaking principles on which such rates or tariffs are based. (See item 3(b) above). Please identify any terms and conditions that you have established with regard to interconnection.

As stated above, U S West's interconnection tariff is currently pending in a contested case before the Board. Docket No. RPU-95-10. The picture in Iowa will be clearer when a final decision is issued in that docket and when the rule making identified as Docket No. RMU-95-5 is completed. Both of those events should occur before the end of April.

4. Mutual Compensation (Reciprocal Compensation) (Sections 251(b)(5) and 252(d)(2). Please describe the compensation arrangements you have established for transport and traffic termination. Are there different interim and long-run rules? In what circumstances is bill-and-keep used? Do different rates apply to end office termination and tandem termination?

IC § 476.101(4)(a)(2) requires Board rules to establish reciprocal cost-based compensation for termination of telecommunications services between incumbents and competitive local service providers. In the McLeod facilities-based certificate proceeding and prior to the passage of § 476.101, the Board ordered U S West to file a tariff for transport and termination of local calls originating from another provider. Docket No. TCU-94-4. In its orders, the Board made it clear that bill-and-keep would be used only for the interim until monetary compensation tariffs were in place. The proposed rules in Docket No. RMU-95-5 reflected that approach. U S West's competitors would be allowed to mirror the U S West rates, terms, and conditions, or could establish their own rates with appropriate cost support. Due to the comments in the rule making, the Board has reconsidered its position and is currently selecting between its initial approach and an approach that would continue bill-and-keep until an applicant shows that the terminating local service access between competitors is unbalanced. No rates are currently in place for local service transport and terminating access.

5. Resale (Sections 251(b)(1) & (c)(4) and 252(d)(3). Please describe the terms and conditions on which resale of local exchange is required and/or permitted. What are the differences between the rates for retail and wholesale service? Also, please describe the ratemaking principles on which wholesale rates are based (see item 3(b) above).

IC § 476.101(7) provides that neither the Board nor a local exchange carrier can impose restriction on the resale of local exchange services, functions, or capabilities. However, the Board may prohibit residential service being resold as a different class of service. Even before the passage of the statute, the Board issued certificates authorizing the resale of U S West's Centrex Plus. The Board currently has pending McLeod's request to expand its certificate to allow resale of all U S West local services (TF-96-75) and AT&T's request for a certificate to provide local service throughout the state through a combination of resale and facilities-based means (Docket No. TCU-96-1). Initiation of a resale rule making is under consideration at this time. Presumably, that is where the Board would address the principles for setting wholesale rates.

6. Number Portability (Section 251(b)(2) and 251(e)). Please state the long-term number portability solution you have adopted and when you expect it to be "technically feasible." Please state any interim measures you are using. Have you addressed the issue of cost recovery regarding both interim measures and long-term solutions? If so, please describe the cost recovery mechanisms you have developed.

IC § 476.101(4)(a)(3) mandates Board rules to require incumbent carriers to make interim number portability available on request of competitors and to implement long-run number portability as soon as technically and economically feasible as determined by the Board. The rules must contain a reasonable and nondiscriminatory mechanism for the recovery of all recurring and nonrecurring costs of interim and long-run number portability. The Board's proposed rules in Docket No. RMU-95-5 would provide for either call forwarding or route indexing to accomplish interim number portability. The proposed cost recovery mechanism is still under consideration.

The proposed rules provide for a long-run number portability regime when an applicant can show that the requested database architecture is economically and technically feasible. We have no estimate at this time how long that will be. On another track, U S West's tariff filing pending in Docket No. RPU-95-10 contains rates for both call forwarding and route indexing as interim number portability options.

7. Dialing Parity (Section 251(b)(3)). Please state how you are dealing with the question of intrastate dialing parity. Please discuss any measures that have been implemented or discussed for providing telephone exchange and toll service providers with nondiscriminatory access to telephone number, operator services, directory assistance, and directory listing.

In 1988, the Board authorized Iowa Network Services (INS) to provide centralized equal access to approximately 130 independent local exchange companies in Iowa. Docket No. RPU-88-2. A requirement in that docket was that INS offer both intraLATA and interLATA presubscription elections to their customers. The result was that slightly more than ten percent of the total customers in Iowa were able to choose from a number of 1+ intraLATA carriers. For the remainder of Iowans, their monopoly 1+ intraLATA carrier is U S West. In 1995, AT&T requested rules to implement intraLATA dialing parity for the remainder of the state, but the Board chose to wait for the federal legislation at that time. IC § 476.100 contains a list of provisions requiring nondiscriminatory access to local exchange carriers' services, as well as their essential facilities, features, functions, and capabilities.

8. Universal Service (Section 254). What state rules, either currently in place or forthcoming, refocus intrastate universal service policies to redirect implicit subsidies towards explicit, competitively-neutral subsidies in reaction to competitive entry in incumbent LEC markets? What other measures have states taken to maintain universal service goals as competition evolves?

In Docket No. TCU-94-4, the Board established an interim universal service charge to be paid by competitive entrants to incumbents to reflect implicit subsidies flowing from business to residential customers. The charge would be based upon the amount of the implicit subsidy and the competitor's ratio of business to residential customers, reaching zero when the competitor's ratio equals the incumbent's ratio. The issue of this charge continues to be hotly debated in the rule making and U S West interconnection dockets. Docket Nos. RMU-95-5 and RPU-95-10. Final decisions have not been made. Iowa does not have an intrastate universal service fund, and the Board will probably wait for the process under the federal Act to evolve before it makes a decision on creating one.

10. Geographic Averaging (Section 254(g)). To what extent are providers of intrastate interexchange service and other services (such as local exchange service) permitted or required to charge different rates in different geographic areas? Do any such rate differences reflect cost differences, or "value of service" differences?

In Iowa we have had state-wide average rates for interexchange service. When interLATA service was deregulated and thereby removed from the Board's jurisdiction, AT&T promised not to deaverage its rates. It has kept that promise. In the area of local service, U S West's tariff provides for lower rates in those exchanges with the fewer customers, reflecting a "value of service" rationale.

LOUISIANA PUBLIC SERVICE COMMISSION

GENERAL ORDER

In re: Regulations for Competition in the Local Telecommunications Market

At the April 13, 1994 Commission's Business and Executive Session, the Commission adopted a policy statement dealing with (i) the Commission's jurisdiction over all companies and entities, including alternative access providers, that intend to provide or otherwise provide local or other intrastate telephone service in Louisiana, (ii) the intent of the Commission to develop rules and regulations for such companies and entities, and (iii) to that end, the authorization of a generic docket and issuance of a Notice of Proposed Rulemaking for the development of such rules and regulations. In furtherance of the policy adopted by the Commission and as ordered by the Commission, Docket U-20883, Louisiana Public Service Commission, ex parte, *In re: The development of rules and regulations applicable to the entry and operations of and the providing of service by competitive and alternative access providers in the local intrastate and/or interexchange telecommunications markets in Louisiana* (the "Competition Docket") was formally opened and published in the Commission's Official Bulletin No. 539 dated April 22, 1994.

The following parties filed formal interventions in this docket: Paramount Wireless Communications Corp. (Paramount Wireless), Wireless One, Inc., Louisiana Cable Television Association (LCTA), AT&T Communications of the South Central States, Inc. (AT&T), Shreveport Cellular Telephone Company (Shreveport Cellular), Lafayette Cellular Telephone Company (Lafayette Cellular)¹, Monroe Cellular Limited Partnership (Monroe Cellular), American Communication Services of Louisiana, Inc. (ACSI), MCI Telecommunications Corporation (MCI), East Ascension Telephone Company, Inc. (EATEL), BellSouth Telecommunications, Inc., d/b/a South Central Bell Telephone Company (SCB)², The Council of the City of New Orleans, McCaw Cellular Communications, Inc. (McCaw Cellular)³, LDDSMetromedia Communications (LDDS), Teleport Communications Group Inc. (TCG), the Small Company Committee of the Louisiana Telephone Association (SCC), Sprint Communications Company L.P. (Sprint), Reserve Telephone Co. (Reserve Telephone), Centennial Beauregard Cellular Corp. (Centennial Cellular), Entergy Services, Inc., Radiofone, Inc. (Radiofone), Metropolitan Fiber Systems of New Orleans, Inc. (MFS), Cameron Telephone Company, BellSouth Mobility, Inc. (BSM), Global Tel*Link, Inc. (Global), GNet Telecom, Inc. (GNet) and BRI, Inc. (BRI). The following parties filed as interested parties: Michael R. Gardner, Esq., Federal Trade Commission, State of Michigan Department of Commerce, Peoples Telephone Companies, Inc., Vision Cable of Alpine, the Alliance Against Utility Competition in Private Sector Industries (AAUC), Crescent City Networks Corporation (Crescent City Networks), Lemle & Kelleher, Dow, Lohnes & Albertson, the City of Kenner, Louisiana Telecom Affairs, State of Louisiana Office of Telecommunications Management, International Telecommunications Service, Inc., the Telecommunications Resellers Association (TRA), Technologies Management, JTS Interests, Allnet Communication Services, Inc. d/b/a Frontier Communications Services, Inc., and Tipton Ross Company.

A Scheduling Conference was held on July 23, 1994 at which time several dates were established. First, July 15, 1994 was established as the date all parties were to submit a suggested

¹Notice of Withdrawal of Intervention on Behalf of Lafayette Cellular Telephone Company was filed by AT&T Wireless Services, Inc. on November 21, 1995 due to its sale of Lafayette Cellular to Centennial Cellular Corp.

²Now known exclusively as BellSouth Telecommunications, Inc.

³Now known as AT&T Wireless Services, Inc.